

the domestic production capacity of urea to meet the growing demand for enhancing the agriculture production in the country. The new policy will enable the entrepreneurs to decide about their investment plans in the fertilizer sector. The new policy will encourage setting up of plants with international efficiency standards for fresh investments in new projects and expansion of existing units. The new and expansion urea units will be based on natural gas/LNG as feedstock which is the most cost effective and the least polluting feedstock in fertilizer sector today.

Policy for debottlenecking/revamp/modernisation of existing urea units for expansion of their capacity has also been announced in January, 2004. Debottlenecking/revamp/modernisation will be allowed only if the additional production comes from using the natural gas/LNG as feedstock. Under the policy, the measures proposed by the applicant fertilizer units under the debottlenecking/revamp/modernisation of the plant should at least result in 10% increase in the existing urea production capacity.

DAP is a decontrolled fertilizer, and is left to the private manufacturers for their commercial decision in regard to its indigenous production or import. MOP is a mineral fertilizer and its demand is met through imports, as there is no commercially viable indigenous source known in the country.

Supply of DAP fertilizers in Punjab and J & K

1621. SHRI VARINDER SINGH BAJWA:
SHRI T.S. BAJWA:

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether it is a fact that supply of D.A.P. fertilizer is not sufficient in Punjab and Jammu and Kashmir; and

(b) if so, the reasons therefor and the steps Government have taken, so far, to meet the demands of the farmers?

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI RAM VILAS PASWAN): (a) The availability of DAP in Punjab and Jammu and Kashmir up to 30.11.2004 was more than the requirement assessed and

was sufficient to support the sales as seen from the following Statement:—

(‘000 MT)

State	Requirement indicated by the State from 1.10.04 to 30.11.04	Availability from 1.10.04 to 30.11.04	Sales up to 30.11.04
Punjab	375.00	403.00	376.00
Jammu and Kashmir	10.90	14.00	12.00

(b) Question does not arise.

Distribution control on urea

1622. SHRI S.P.M. SYED KHAN: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether Government are considering to bring back distribution control on urea:

(b) if so, the details thereof;

(c) whether this move will affect the smooth availability of urea to the farmers; and

(d) if so, the details thereof?

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI RAM VILAS PASWAN): (a) and (b) Under the new pricing scheme for urea units which came into effect from 1.4.2003, it was envisaged to decontrol distribution of urea in phased manner. Under the scheme, urea distribution was to be totally decontrolled from 1.4.2004, which has been deferred for a period of one year till end of 2004-05.

(c) No, Sir.

(d) Question does not arise.

Budget and expenditure on India Chem

1623. SHRIMATI KAMLA MANHAR: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) The expenditure that have been budgeted *vis-a-vis* spent by the department for promotion of India Chem 2004;